The Impact of E-Service Quality on E-Satisfaction and Implications on B2C shopee.com the online Repurchase: A case study of Indonesia

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ABSTRACT

Internet services that were introduced in 1993 have an impact on behavior change and the ways of consumer decisions making. On the other hand, the emergence of various developments in information technology, connectivity and smartphones are also slowly able to change the way consumers meet the needs of a product or service. This research was conducted for the intention to examine the effect of e-service quality on e-satisfaction and implications on B2C consumer repurchase online. Data was taken using an online questionnaire and distributed to B2C consumers with the last amount of data collected as many as 312 questionnaires and then be analyzed using the partial least square method. The results of the analysis show that e-service quality provides a significant positive effect on e-satisfaction and online repurchase for B2C consumers. In other results show e-satisfaction has a significant effect on the online repurchase and is able to be a partial mediator of the relationship of e-service quality with the online repurchase of B2C consumers.

Key Words: B2C, E-Service Quality, E-Satisfaction, Online Repurchase.

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1. BACKGROUND

Since the commercialization of the internet in 1993 has gradually changed the behavior and manner of decision making. In addition, the emergence of the development of information technology, connectivity and smartphone platforms more or less is also able to change the ways of consumers both individually and in groups in an effort to meet all their needs both the needs of goods or services. At the same time, the existence of these technological developments turned out to have a real impact on producers of both goods and service providers in introducing and offering their businesses. As a result, there are now many products and services available to consumers through ever-increasing online channels [15]. Xu, Benbasat and Cenfetelli. With the internet, consumers can more easily obtain quality information. Information quality is the customer's perception of the quality of information displayed on e-commerce applications. The quality of information consists of two types, namely the adequacy of the content (reliability, adequacy, and completeness of the information provided) and the usefulness of the content (informativeness and value of the information displayed).

The development of e-commerce in Indonesia began in 1994-1999 [6]. Kompas.com, starting with the first e-commerce website namely bhineka.com in 1996 which then continued to experience growth with the emergence of other e-commerce sites, including tokobagus.com, bukalapak.com and others. One of the sites of e-commerce that is now very popular in Indonesia is shopee.com. Shopee is a website-based e-commerce and mobile application that is still relatively new, Shopee presents many interesting features and offers, one of which is free shipping throughout Indonesia. In addition, as an e-commerce platform that is still relatively new, it turns out that shoppe.com ranks in the top 3 e-commerce sites most visited by Indonesian consumers in 2019. Referring to research conducted by the Indonesian Ecommerce Association (IdEA), it was stated that shopee .com was ranked third in e-commerce with 476.5 million visitors under tokopedia.com and bukalapak.com.

Along with developments in the field of e-commerce marketing followed by an increase in the number of companies engaged in similar platforms, companies especially shopee.com require a more detailed understanding of the behavior of consumers and potential customers. The intended consumer behavior in this case is how consumers perceive and evaluate e-service quality in an e-commerce service, so that it can ultimately become very important for the company. This is because good e-service quality is felt to be able to increase the potential that is useful for the benefit of strategic benefits and improve

operational efficiency and profitability of the company. Furthermore, with good e-service quality will also provide benefits to companies to attract and retain customers, so that loyalty will arise to keep using the same service [17].

E-service quality is very important for evaluating and evaluating customers in the e-commerce business. Companies can improve quality and quality with e-service quality because it makes it easy to evaluate the success or failure of internet-based e companies. E-commerce can make it easier for customers to access mobile applications to meet their needs through mobile applications and ease of transactions has a significant influence on the level of e-service quality. In other words, mobile applications are considered as one of the online business instruments to provide quality electronic services to customers, one of which is online shopping. E-commerce provides a better way to shop, buy and deliver products and services. According to this definition, e-service quality is an important factor in providing enough customer service to shop confidently and comfortably, and has hope for fast delivery and reliable service [17].

E-satisfaction is a measurement of customer satisfaction in a level generated by a service [10]. Customer satisfaction is an important factor that aims to understand customer needs and desires to be fulfilled. Customers feel dissatisfied if the service performance does not meet the wishes [8]. The level of satisfaction and dissatisfaction can affect the intention to repurchase [12]. Customer satisfaction is an important factor for understanding and evaluating customer desires. With a repurchase can increase market share resulting from repeat purchases [12].

Online Repurchase is an act of the customer to use or buy the product again. Customers who have purchased the item have the potential to repeat repeat purchases, ie consume the same product from the same seller. It can be said that repurchase is an act of repurchase which is a customer's decision to consume products repeatedly [12].

Various studies related to e-commerce conclude that e-service quality has a positive effect on online repurchase, customer satisfaction and loyalty [10]. This is the same as research conducted by [5]. Khalifa and Liu that consumer e-satisfaction is able to mediate the relationship between online shopping experience and habits with online repurchase. Meanwhile, [13]. Sharma concluded that e-service quality has a positive effect on satisfaction, and added in other studies that service quality has a positive effect on repurchase intentions directly and indirectly through satisfaction [8-11].

This study intends to examine the effect of e-service quality on e-satisfaction and online repurchase for B2C consumers who use the e-commerce platform shopee.com. This is interesting to study considering the capacity of shoppe.com under the auspices of PT. Shopee International Indonesia as the big three e-commerce services that are visited by consumers in Indonesia in 2019. In addition, as one of the new e-commerce services in Indonesia research with Shopee.com objects deserves to be considered as additional guidance and information for consumers e-commerce as well as that of the evaluation of the developer and shopee.com management in developing higher quality services. Thus, through this shopee.com consumer behavior study, it will produce e-commerce services that can meet the needs of consumers in the future.

2.0 THEORY, HYPOTHESIS AND ANALYSIS MODEL

2.1 E-Service Quality (E-SQ)

E-service quality is a strategy that aims to achieve the level of satisfaction provided through service [16]. Customer satisfaction is an important factor for understanding how customer needs and desires can be met. Furthermore, dissatisfaction may occur when perceived service performance does not meet expectations [17]. Attitudes and perceptions from previous service experience can reflect levels of satisfaction or dissatisfaction and can influence repurchase intentions [16]. Customer satisfaction is used to understand and fulfill customer desires which can increase market share resulting from repeated purchases and references (Kotler, 2000). E-Service Quality can be used as an evaluation guide about customers regarding the performance of e-commerce services.

E-service quality is described as an overall evaluation and evaluation of consumers regarding the superiority and quality of e-service in virtual markets [16]. E-service quality is described more broadly as the scope of all phases of interaction between consumers and the online web system. E-service quality states that the quality of service with the dual function of a website can facilitate consumer spending both purchasing and shipping goods efficiently and effectively [18]. It was further stated that there are 7 dimensions of e-service quality that are used in the assessment and recovery of problems experienced by online consumers, namely: (1) Efficiency, which includes ease, speed of access in using the website, (2) Fullfillment, which explains the extent to which the site regarding order availability and item availability is fulfilled, (3) System availability as a dimension that includes the correctness of the technical functions of a website, (4) Privacy, as a dimension that explains the extent to which the website is safe and able to protect user information, (5) Responsiveness, dimensions that are able to carry out effective problem handling and returns through websites, (6) Compensation, the extent to which the website compensates for problems faced by consumers, (7) Contact, the availability of assistance by telephone or online representative can be contacted.

2.2 E-Satisfaction (E-SF)

E-satisfaction is a customer satisfaction that is characterized as a need and goal to achieve a level of satisfaction and emotional response by a service [12]. Customer satisfaction is an important factor for understanding how customer needs and desires are met. Furthermore, dissatisfaction may occur when perceived service performance does not meet expectations [8]. Attitudes and perceptions from previous service experience can reflect levels of satisfaction or dissatisfaction and can influence repurchase intentions [11]. Customer satisfaction is an important element to understand and satisfy customer needs and desires. Repurchase activities can increase market share resulting from repeat purchases [11].

Theoretical studies state that customer satisfaction is defined as a positive evaluation of the performance of a product or service based on all experience in previous use [2]. In the operation of e-satisfaction [12]. develops e-satisfaction models through four dimensions, namely comfort, merchandising, site design, and financial security. Satisfaction is a precursor condition which is an important factor in forming loyalty. Satisfaction can be analogized as a comparison between the alternatives chosen and can influence customer behavior. Accompanying satisfaction is the reaction of the consumer experience to the performance of the selected product or service and the pleasure of the choice of service or product used [7]. Satisfaction on the other hand can be associated with remorse which represents the post-purchase evaluation response, so in this case satisfaction requires a comparison between actual performance and expected performance.

2.3 Online Repurchase Intention (ORI)

Online Repurchase is an act of repurchase carried out by a customer, both in terms of buying or using the product again. Customers who buy certain items will have the potential to repeat purchases [12]. Customers do consume similar services or products from the same seller. Whereas repurchase is an act of repurchase, indicating the customer's decision to consume the product repeatedly [12]. The intention to repurchase a customer is divided based on two aspects, namely the intention to repurchase and spread information through word of mouth in the form of positive information and recommendations to others [10]. In this study, repurchase intention focuses on the intention of customers to use their smartphones to repurchase services provided by e-commerce.

Interest from consumers after using the services of a product or service will determine their alternatives to keep using similar products or services or switch to other alternatives. [14]. (Sullivan and Kim, 2018). This shows that repurchase intentions may not be solely determined by satisfaction with the product / service. There are other factors, for example regarding the theory of regret, so that what is felt by consumers and determine repurchase is determined by consumers sorry or not consume the products or services used. [14]. Sullivan and Kim shows that the opportunity for consumers to buy back similar products or services can be measured through 1) reuse, the possibility of consumers using similar products and services in the future 2) revisiting, the possibility of consumers visiting the store in the future when buying products or services required.

3.0 METHODOLOGY

3.1 E-Service Quality to Online Repurchase

In the world of marketing, the principle of quality is conceptualized as "quality perception", which depends on the judgment of consumers. The existence of services in good and bad perspectives can be used as an individual construct for predictors of repurchase intentions [11]. Research conducted by [11]. Saleem et al. concluded that the existence of e-service quality, e-satisfaction and repurchase intention is a link that directs a positive relationship. Based on the description, the following hypotheses can be arranged:
H1: E-service quality has a positive effect on online repurchase

3.2 E-Service Quality to E-satisfaction

[8]. Li and Suomi states that service quality has a strong impact on customer satisfaction and company performance. Consumer satisfaction is described as a positive evaluation of a company's performance based on its prior experience, including service quality [2]. [1]. Chen et al. in his review also stated that in the scope of online stores, customer satisfaction is one of the important keys related to increasing profitability, consumer retention rates, and long-term growth of online stores. Based on the description of the linkages, the following hypotheses in the study can be arranged:
H2: E-service quality has a positive effect on e-satisfaction

3.3 E-Satisfaction with Online Repurchase

Unsatisfied consumers will find solutions to move to other stores to get satisfaction. This means that there is a positive influence between e-satisfaction on online repurchase. So if e-satisfaction with online repurchase has increased, it will increase the level of desire for repurchase. Consumers who feel a greater level of satisfaction are likely to buy back more in the future than dissatisfied consumers [3-12]. Meanwhile, [9]. Lin and Lekhawipat in their research results conveyed that e-satisfaction has a direct and indirect influence on online repurchase. From the description above, a hypothesis can be arranged:

H3: E-satisfaction has a positive effect on online repurchase.

[5]. Khalifa and Liu stated that the existence of e-satisfaction consumers can be a mediator in the relationship between experience and online shopping habits with online repurchase. When consumers are satisfied with the services provided by the seller, the desire to buy back will be formed, the higher the customer satisfaction will have implications for repurchase. Satisfaction as a form of evaluation by consumers in using services has an important role in determining consumer behavior in the future. If consumers who feel greater satisfaction are more likely to buy back more in the future than dissatisfied consumers [3-12]. Meanwhile, [9]. Lin and Lekhawipat in their research results conveyed that e-satisfaction has a direct and indirect effect on online repurchase. From the description above, a hypothesis can be drawn up:

H4: E-satisfaction mediates the relationship between e-service quality and online repurchase
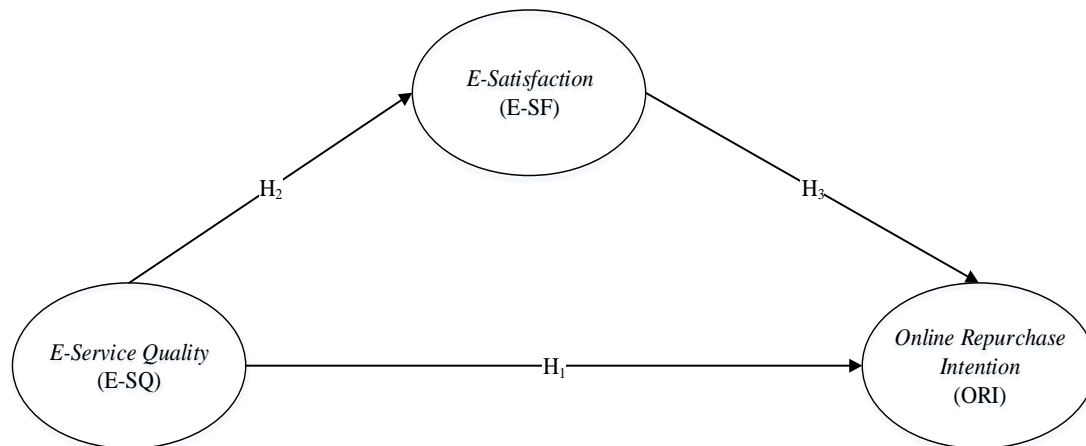
Gambar 1. Model Analisis

3.4 RESEARCH METHODS

This research was conducted quantitatively by taking samples distributed online with random sampling methods, namely consumers from shopee.com totaling 312 people. Measurement of research variables is composed of questions items from related theories through previous journals. The e-service quality variables are composed of indicators of efficiency, fullfillment, system availability, privacy, responsiveness, compensation, contact [18]. The e-satisfaction variable is measured through service completeness indicators and recommendations [7], while the online repurchase variable is measured by indicators of repurchase interest and the fear of making repeat purchases in the future [14] .Research variables measured through a questionnaire were analyzed by using the least least square method with Smart PLS 2.0 software through an evaluation of the outer model and the inner model. The significance of the influence of variables is assessed by the T-Statistics value greater than 1.96 [4].

Table 1. Definition of Variable Operations

No	Variable	Definition	Indicator	Measurement
1	E-Service Quality (E-SQ)	Evaluation of e-commerce consumers on the quality of services provided	Zehir and Narcikara (2016) - Efficiency (ESQ1) - Fulfillment (ESQ 2) - System avaibility - Privacy - Responsiveness - Compensation - Contact	Likert 1 -5
2	E-Satisfaction (E-SF)	Evaluation of e-commerce consumers on the use of a product or service	Liao et al. (2017) - Pleasure on the product (EST1) - - Product experience	Likert 1 -5
3	Online Repurchase Intention (ORI)	The probability of consumers to visit e-commerce in the future	Sullivan and Kim (2018) - Reuse - Revisit future	Likert 1 -5

4.0 RESULTS AND DISCUSSION

The number of respondents as a research sample with a total of 312 has a profile as well as an assessment response to the research variables summarized in Table 2. The research sample was mostly 208 women (66.7%) aged between 20 to 25 years with the number 136 people (43.6%). The education profile of most of the research respondents were Strata 1 / S1 totaling 238 people (76.3%) who mostly worked as private employees with a total of 152 people (48.7%) with monthly income levels of Rp 5 million to Rp. 10 million as many as 164 people (52.6%). The next profile is revealed that the underlying drivers of online shopping activities by consumers are largely due to information from advertising media (61.9%) and friend recommendations (51.6%).

Further description of the responses of respondents to each of the research variables are all included in the excellent category with the response value of each mean is e-service quality of 4,530, e-satisfaction variable of 4,526 and online repurchase of 4,567. Based on the above results, it can be explained that the respondents considered that e-service quality provided by Shopee.com to their customers was already good so that it could increase consumer satisfaction and intention to make repeat purchases at Shopee.com.

Table 2. Profile and Mean Respondents' Responses

Profile	f	%
Gender		
Male	104	33,3
Female	208	66,7
Age		
< 20 years old	12	3,8
20 – 25 years old	136	43,6
26 – 30 years old	107	34,3
> 30 years old	57	18,3
Education		
< D1	13	4,2
D3	35	11,2
S1	238	76,3
S2	26	8,3
Job		
Student	30	9,6
Government employees	34	10,9
Private companies	152	48,7
Entrepreneurs	43	13,8
BUMN	42	13,5
Does not work	11	3,5
Salary		
< Rp. 3.000.000	33	10,6
Rp. 3.000.000 – Rp. 5.000.000	70	22,4
Rp. 5.000.001 – Rp. 10.000.000	164	52,6
> Rp. 10.000.000	45	14,4

Factors online shopping		
Advertising media information	193	61,9
Friend's recommendation	161	51,6
Variable	Mean	
E-service quality (E-SQ)	4,530	
E-satisfaction (E-SF)	4,526	
Online repurchase (ORI)	4,567	

Research variable data that has fulfilled the research criteria with good quality was tested for validity and reliability, and then estimated the causality relationship in the structural model with partial least square as follows:

4.1 . Outer Model Evaluation

An evaluation of the outer least partial least square analysis model was carried out to test the validity and reliability of the structural model of the research construct. Validity test consists of testing indicators of reliability, discriminant validity, and convergent validity. Meanwhile, for reliability testing used internal consistency with Cronbach alpha criteria and composite reliability. The initial estimation results from the outer model evaluation show that there are 1 indicator on e-service quality (e-servqual 5 = -0.128) which is not yet valid, then the indicator is reduced and the process is running again and the results are summarized in Table 3. Table 3 shows that the outer value loading> 0.5 with T-Statistics> 1.96 and AVE value> 0.5 which means that it has met the assumptions of the reliability indicator and cover validity. Meanwhile, the measurement of internal consistency obtained composite reliability values> 0.7 has also been concluded well. In addition, the value of Q Square for all variables is greater than 0, which indicates that the structured model has been able to make good predictions or predictive relevance.

Table 3. Evaluation of Structural Model Suitability Index Criteria

Criteria	Results		Critical Value	Model Evaluation
Outer Model				
Convergent Validity	Indicators	Construct	≥ 0,5	**Good**
	E-SQ 1	0,7710		
	E-SQ 2	0,7321		
	E-SQ 3	0,6847		
	E-SQ 4	0,7000		
	E-SQ 5	0,7242		
	E-SQ 6	0,7050		
	E-SQ 7	0,7093		
	E-SF 1	0,9226		
	E-SF 2	0,9215		
	ORI 1	0,9300		
	ORI 2	0,9298		
Discriminant validity (Average Variance Extracted (AVE) of each construct is greater than the correlation value between constructs)		AVE	Root-square AVE	≥ 0,5	**Good**
	E-SQ	0,516	0,718		
	E-SF	0,850	0,922		

	ORI	0,865	0,930		
Composite Reliability (ρc)	E-SQ	0,882		≥ 0,7	**Good**
	E-SF	0,919			
	ORI	0,928			
Inner Model					
Q-Square	E-SQ	0,350		≥ 0	**Good**
	E-SF	0,465			
	ORI	0,500			

Source: Primary data processed results (2013)
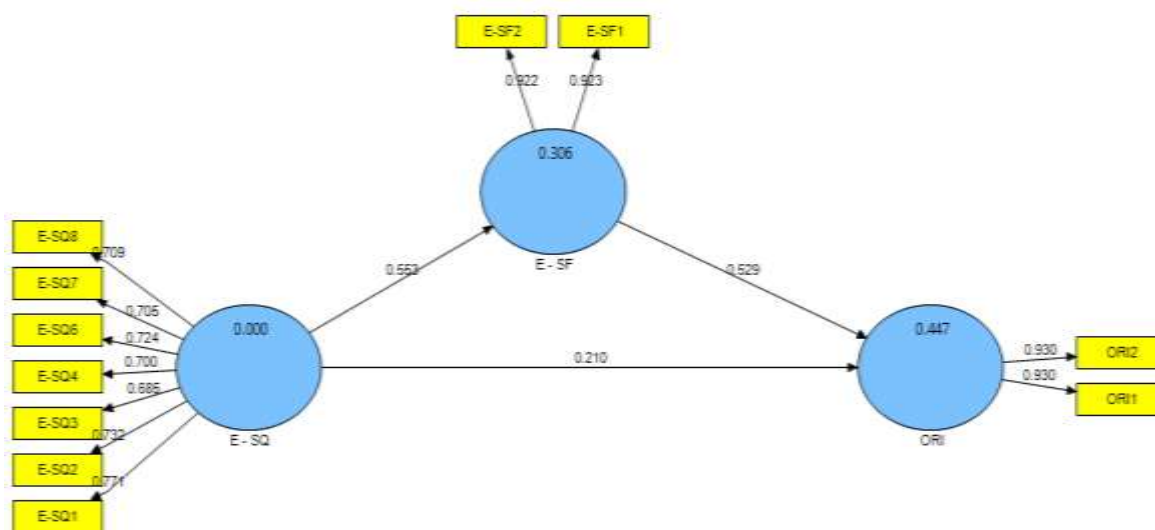
Figure 2. Outer Model Estimate

4.2 Inner Model Evaluation

The results of bootstrapping estimates for the inner model are presented in Figure 2 as follows:
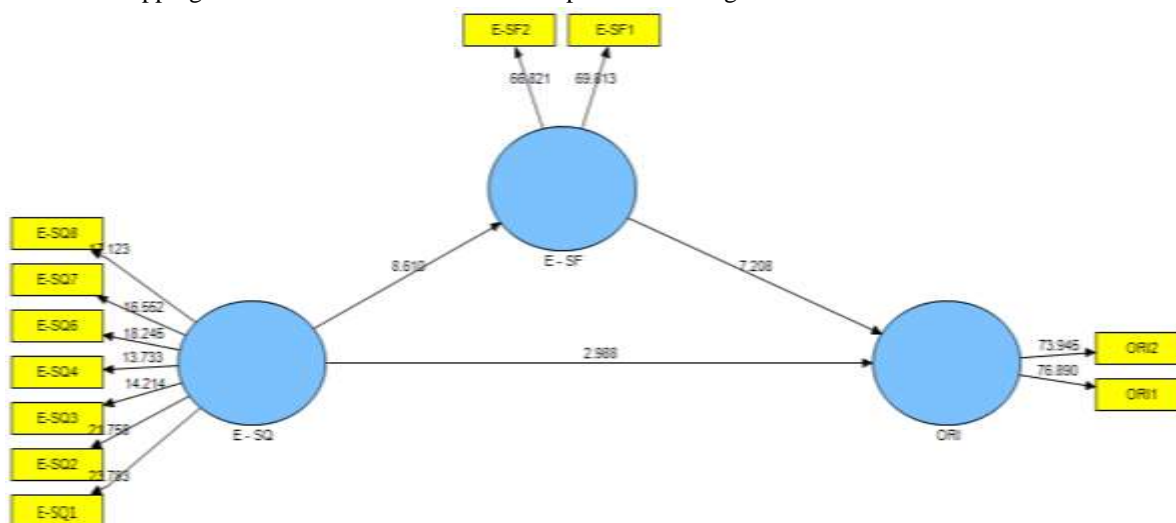

Figure 3. Inner Model With Bootstrapping

  Meanwhile, a summary of the results of the inner weights values for bootstrapping estimation that shows the effect of a variable on other variables used in hypothesis testing is presented in Table 4 as follows:

Table 4. Inner Weight and Hypothesis Testing

Jalur	Direct Effect	T	p	Indirect Effect	T	p
E-service quality → Online repurchase	0,210	2,988	0,001	0,293	5,945	0,000
E-service quality → E-satisfaction	0,553	8,610	0,000			
E-satisfaction → Online repurchase	0,529	7,208	0,000			

Referring to Table 4 explained that there is a positive influence between e-service quality variables on e-satisfaction (β = 0.553 p = 0.000) and online repurchase (β = 0.210 p = 0.000) consumers from shopee.com. Based on these results the H1 and H2 studies can be accepted statistically.

This result confirms the research conducted by [11]. Saleem et al. that the suitability of services has a relationship with the level of satisfaction and intention of consumers to buy back. If consumer expectations for services provided by service providers are good, it will cause a satisfaction and ultimately will encourage his intention to make a similar purchase. In the context of online shopping, it can also be implemented that conformity to service expectations is an important driver of repurchase intentions, so it becomes very important for online service providers to understand the expectations and needs of their consumers. While in research by [13]. Sharma stated that e-service quality is a predictive typology of e-satisfaction of online consumers. Typology in this case proposes that because the satisfaction obtained by online consumers will not be the same as each other when interacting with an online shopping site; Therefore, it is necessary to include factors of consumer heterogeneity, for example the availability of service product categories.

Other results suggested that e-satisfaction has a positive effect on online repurchase (β = 0.529 p = 0.000), thus H3 can be statistically accepted. In this case consumer satisfaction will affect the desire to make a repurchase. If consumers feel dissatisfied, they will look for other sellers who can provide their own satisfaction. So it can be seen that e-satisfaction has a positive effect on online repurchase. These results are the same as the results of research by [5]. Khalifa and Liu (2007) which states that the effect of satisfaction on online buyers' repurchase intentions will be strengthened by the presence of habitual and experienced factors. This condition means that consumers who tend to have online shopping habits will buy back when they feel a satisfaction. The results of the effect of mediation between e-service quality on online repurchase with e-satisfaction mediation using the Sobel test formula concluded significant (β = 0.293 p = 0.000). The direct effect (direct effect) of 0.210 is smaller than the indirect effect (directional effect) of 0.293, so that mediation between variables can be proven statistically and is partial mediation. Thus, H4 in research can also be accepted statistically.

5.0 CONCLUSION

Based on the results of the study it can be concluded that e-service quality has a direct and indirect influence on the online shopper.com consumer repurchase. Other results found that e-service quality also has a positive effect on e-satisfaction, while e-satisfaction has a positive effect on online repurchase. This condition indicates that there is partial mediation in the relationship between e-service quality and online repurchase through e-satisfaction variables for consumers who use e-commerce services shopee.com.

Research shows that with good service, consumers will feel satisfied and make repurchases. At present transactions can be done easily via the internet, online repurchase is an interesting research topic because most people have made online purchases.

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